

## **Part 2**

### **Contracts and Intellectual Property**

#### **63M-3-201 Contract for pilot plant -- Contents -- Financing -- Termination of contract.**

- (1) The council is authorized to enter into contracts with contractors to provide for the design, construction, and operation of a pilot plant to fulfill the purposes of this act.
- (2) The contracts provided for in Subsection (1) shall provide, among other things, for the following:
  - (a) The plans and specifications for and the processes to be used in the pilot plant must be approved by the council.
  - (b) The station is to be the project engineer in respect to the pilot plant and is to represent the council in respect to it. As the project engineer the station has the responsibility of monitoring performance by the contractors, gathering data pertinent to the purpose for which the pilot plant is to be constructed and operated, and performing such administrative, accounting, and other duties assigned to it in respect to the pilot plant by the council. As compensation for its services the station is to receive its costs, direct and indirect, calculated in accordance with standard accounting procedures followed by the University of Utah in contracts with the United States government and its agencies; and the amount to be so paid to the station is to be considered part of the costs of design, construction, and operation of the pilot plant.
  - (c) The contractor shall provide all funds necessary to the design, construction, and operation of the pilot plant for the objective period which are not provided by the appropriation made to the council for purposes of this act under Section 5. To provide its portion of these funds the contractor may use both private and public sources, but that from public sources can only be used with prior approval by the council.
  - (d) The site for the pilot plant is subject to prior approval by the council.
  - (e) The pilot plant and any production from it shall be owned by the state of Utah in the proportion that its appropriation for purposes of this act under Section 5 bears to the total cost of designing, constructing, and operating the pilot plant for the objective period. This total cost does not include the cost or value of the site for the pilot plant or tar sand feedstock for the objective period.
  - (f) The council shall have the exclusive right to determine when the end of the objective period has been reached, at which time any contracts between the council and the contractor regarding the pilot plant shall terminate. The pilot plant is then to be sold for cash pursuant to law at competitive bidding when the sale of the pilot plant equipment is determined to be practicable by the council. The gross proceeds from the sale shall be paid to the state but not in excess of the amount of the appropriation made under Section 5 plus an interest factor of 10% per year from the date of the contracts to the sale date.

Renumbered and Amended by Chapter 382, 2008 General Session

#### **63M-3-202 Intellectual properties discovered or developed -- Ownership -- Patenting -- Licensing.**

- (1) To the extent not inconsistent with the patent laws of the United States, the intellectual properties which are newly discovered or newly developed in the course of the design, construction, and operation of the pilot plant during the objective period:
  - (a) shall be owned by the state of Utah to the same extent as the pilot plant and production from it as provided for in Subsection 63M-3-201(2)(e); and

- (b) shall, if patentable, be patented in a manner appropriate to this ownership by the state and the other owners.
- (2) Any intellectual properties described in Subsection (1) insofar as they are so owned by the state may be licensed for the objective period upon such terms as are approved by the council.

Renumbered and Amended by Chapter 382, 2008 General Session